

## **WARREN COUNTY BOARD OF SUPERVISORS**

**COMMITTEE: OCCUPANCY TAX COORDINATION**

**DATE: DECEMBER 9, 2014**

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**COMMITTEE MEMBERS PRESENT:**

SUPERVISORS KENNY  
MERLINO  
CONOVER  
DICKINSON  
FRASIER  
SIMPSON  
STROUGH

**OTHERS PRESENT:**

LEISA GRANT, PRINCIPAL ACCOUNT CLERK, TOURISM  
JOAN SADY, CLERK OF THE BOARD  
FRANK E. THOMAS, BUDGET OFFICER  
SUPERVISORS BEATY  
MCDEVITT  
SEEBER  
TAYLOR  
THOMAS  
VANSELOW  
DON LEHMAN, *THE POST STAR*  
SARAH MCLENITHAN, SECRETARY TO THE CLERK OF THE BOARD  
PLEASE SEE ATTACHED SHEET FOR ADDITIONAL ATTENDEES

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Mr. Kenny called the meeting of the Occupancy Tax Coordination Committee to order at 10:37 a.m.

Motion was made by Mr. Simpson, seconded by Mr. Merlino and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Mr. Kenny announced this was the annual meeting to determine the disbursement of 2014 Occupancy Tax funds. He said privilege of the floor would be extended to any applicant for Occupancy Tax Special Event Funding who wished to speak. He asked that any presentations be limited to two minutes in length to allow time for everyone to speak. He stated based upon the new guidelines set for the Occupancy Tax Committee this year they would commence in alphabetical order and the following year would commence in reverse alphabetical order. He advised 68 applications had been received totaling \$758,000 of which \$250,000 would be disbursed. He explained under the new guidelines the occupancy tax event funding this year would decrease from \$350,000 to \$250,000 and then be reduced for future years to \$175,000. He apprised funding for the smaller events would be handled through the Towns; therefore, their applications would be forwarded to the Towns for review.

Mr. Kenny pointed out there were representatives from the Coalition to Save the Glens Falls Civic Center (GFCC) Foundation in attendance at today's meeting. He asked whether anyone had any questions for these representatives to which no one replied. Mr. Dickinson queried whether it was necessary for the representatives of the smaller events to stay at the meeting since their applications would be forwarded to the Towns and Mr. Kenny replied in the negative. Mr. Kenny explained once they had awarded the \$250,000, any applicant who did not receive funding from the County would have their application forwarded to the Towns to review. Mr. Merlino mentioned the amounts provided to the towns hosting the majority of the events had increased to enable them to fund the smaller events instead of the County. Mr. Kenny added they would supply the Town's with the suggested award for the events from the mini workshop; however, he stated, the final determination would be the Towns responsibility. In response to a question, Mr. Kenny apprised anyone in attendance whose request was for less than \$10,000 could leave, as their applications would be forwarded to the Towns for consideration.

Robert Phillips, representing the 1935 Gold Cup Returns to Lake George Committee, stated they

were planning their event for September 17-20, 2015. He said in 1935 there were over 20,000 spectators at the event, which was the allure they were trying to recreate. He pointed out the population in the United States had tripled since 1935 and communication and transportation had improved significantly; therefore, he commented, if they could recreate the same allure of the 1935 event, he could not predict the number of spectators that would attend. He added since the event takes place in the Town of Bolton Landing during the off season it created an opportunity to generate additional sales tax funds for the County. He thanked the Committee for their time and asked for favorable consideration of their application for funding.

Dave Eamon, of the 398 Group representing the American Music Festival and the Adirondack Independence Festival, commented it was imperative that the County provide them with funding assistance so they could continue to entice upper level bands to perform at the Charles R. Wood Park and attract people to area. He said the Adirondack Independence Festival was scheduled for July 2-5, 2015 and the American Music Festival was planned for September 19-20, 2015.

Ted Wilson, representing Adirondack Race Management, advised they sponsored four races in the region among which were the Lake George Triathlon and the Glens Falls Urban Assault. He said the United States Triathlon Association compiled some figures that he felt were noteworthy. He stated the average income of a participant in their event was \$175,000 per year. He thanked the Committee for supporting their event for the past ten years. He apprised he felt they were at a crossroad, as there were 1,200 participants in last years event. He mentioned Iron Man was not only a race but also a trademark and name brand. He commented their event attracted triathletes from all over the world to participate. He stated if more funding was provided they could expand the Lake George Triathlon even further. He pointed out a survey conducted found that every participant in their races traveled to the area with 3.6 people which meant hotel rooms would be booked and sales tax funding would be generated for the County from the purchases these individuals made. He noted they had produced over a million dollars for the County in the ten years that they had been managing the Lake George Triathlon. He requested that the Committee review the figures he had provided and seriously consider their request, as he felt they were on the verge of making this an even larger event.

Doug Miller of the Adirondack Sports Complex apprised part of the contract requirements for receiving occupancy tax funds was to provide an analysis at the end of the contract term substantiating the use of the funds. He said he prepared a report each year and submitted it with their final invoice for request of funds; a copy of which is on file with the minutes. He pointed out that the cover page of this report demonstrated the growth in the number of teams they hosted, as well as the increase in the total number of room and bed nights from 2010 until 2014. He said they had expanded to the point where they could accommodate up to 310 teams in 2015. He stated the second page of his report consisted of the names of the hotels, the number of rooms and nights individuals stayed and the tournament, which was all substantiated by the hotels. He advised the remaining eight pages of the report was comprised of tournament by tournament, the team name, the City, State and zip code they originated from, as well as the hotel they stayed at, how many nights they were at each hotel, and the number of rooms they reserved. He continued, the right hand columns figures were generated from the State's Economic Report for the Adirondack Region from 2010. He calculated they were generating over \$2.5 million in economic revenue for the County. He noted their request was less than 2% of the 4% occupancy tax allocation to support their application. He mentioned their request had remained steady or been reduced over the last few years. He commented their request this year had been reduced significantly; however, he said, they were doing more extensive marketing to attract more teams to meet their goal of 310 teams. He commented what differentiated their events from that of Americade or the NYS Boys Basketball

State Tournament was that their events were spread throughout the year, which put less strain on the County resources than the events that took place over a short time period. He added their events were responsible for hotel rooms being reserved on 23 different weekends throughout the year. He said he felt because their events occurred throughout the year and not during a short time frame the Committee was not realizing the impact their events had on the region. He added he believed they should be included in the listing for the top five events that were a result of the annual Occupancy Tax Survey conducted by the Tourism Department. He continued, the largest portion of their events took place from December through March, when 66% of the hotels that participated in the occupancy tax survey conducted by the County were not open. He thanked the Committee for their time and asked for thoughtful consideration of their application.

Chad Rabinovitz, Producing Artistic Director of the Adirondack Theatre Festival, commented their theatre was one of the leading professional theaters in the region and was the only theatre in the region dedicated to new and contemporary plays. This season and moving forward, he stated, there would be an emphasis on new plays because they were exciting, unique and what he believed would make this region a destination. He pointed out that plays such as *Guys and Dolls* and *My Fair Lady* could be viewed anywhere across the Country; however, he said, the shows taking place at the Charles R. Wood Theater that were produced by the Adirondack Theatre Festival could only be seen there. He said they were producing two new musicals that could be seen at the Charles R. Wood Theater before they moved on to New York for showings there. He mentioned they were producing brand new comedies and would have a well known celebrity performing. He apprised they would have Tony nominated Broadway stars performing this season for them, and they would be expanding by offering an educational program entitled "PB&J Café", which was one of the worlds first Children's Dinner Theatre's where kids would have the opportunity to experience theatre as an adult. He said this program would be co-produced with Skidmore College. He mentioned occupancy tax funds would allow them to increase their marketing materials to reach more families. He commented individuals who attended live theater were more likely to go to dinner before attending the show, stop after the show for drinks and often, if traveling from afar, staying in hotels. He stated with the enhancements to their programing they planned on increasing the already large economic driver they provided to the region. He thanked the Committee for their time and added he hoped to see their continued support.

Stephanie Otino, Adirondack Wine & Food Festival, advised their event was planned for June 27-28, 2015 at the new Festival Space of the Charles R. Wood Park. She said this would be a brand new event for Lake George and the first festival of its kind in Warren County. She stated the mission of the festival was to showcase some of the best wineries, breweries, distilleries and specialty food vendors that the region had to offer while promoting Lake George as the tourist destination it was. She mentioned the festival dates were carefully chosen to assist with building the shoulder season of Lake George. She stated they would be teaming up with the SUNY Adirondack Foundation and their culinary program to be the beneficiary of the event. She commented their goal was for the event to become an annual, long standing key event in Lake George. She apprised the region had recently experienced what many were calling a "Craft Beverage Boom", due to Governor Cuomo's Taste of New York initiative which put the spotlight on New York products. As an example, she stated in 2012 the New York Wine and Grape Foundation performed a study to measure the economic impact of New York wine on the State's economy. She continued, this study found that 5.29 million wine related tourists produced over \$401.5 million in wine related tourism expenditures. She said she believed it was safe to assume these figures had only grown since 2012. She advised they thought this festival would assist with bringing those tourists and their dollars to Lake George, as well as the region. She mentioned these tourists would spend money at nearby hotels, restaurants, attractions and shops. She noted the average annual income of wine related tourists

was 16% higher than that of the average tourist. She stated any occupancy funds received would be utilized for their marketing and advertising efforts, as they believed the success of any event was weighted heavily on marketing and promotion. She said they were confident that this event would bring a fresh, affluent, important demographic to the County and the region year after year as an annual event. She thanked the Committee for their consideration.

Steve Farina, Vice President, Albany Rods & Kustoms, Inc., representing the Adirondack Nationals Car Show, stated they were celebrating their 27<sup>th</sup> year of the Car Show this September in Lake George. He said there were three new expenses this year that were quite substantial to them, the first of which was the rental of the Festival Space at the Charles R. Wood Park to expand their car show. Another additional expense, he said, was the rental of the DEC area of the Village to provide additional parking for participants, vendors and spectators. The third expense, he apprised related to the rental of the West Brook Parking Lot. He advised the total increase in their costs due to these additional expenses was \$13,500. He pointed out most of the hotels and motels in the vicinity of Lake George were booked for 3-4 day minimum stays by the end of January for their event that took place September 10-13, 2015. He stated last year their sign up for participating in the car show opened on February 1, 2014 and was at maximum capacity by February 4, 2014 with a total of 1,500 participants signed up. He said they were seeking an increase in the amount of occupancy tax they received to assist with covering the increasing expenses. He noted they spent \$40,000 on television, radio and newspaper advertising, all of which included the Lake George tourism logo.

Rebecca Close, Six Flags Great Escape Resort, representing Oktoberfest, thanked the Committee for their past contribution, which assisted them in bringing Oktoberfest back to the Great Escape in 2014. She stated last year with the assistance of occupancy tax funding they were able to introduce the traditional Oktoberfest back to the Great Escape, which was a major new event for the area and a success on many different levels. She noted over 15,000 attended the 4 day, two weekend event of which 25% traveled from 100 miles or more. She estimated their event yielded over 900 room nights in the four day time frame. She said they received wonderful feedback from the attendees of the event. She mentioned they believed the traditional Bavarian celebration highlighted the region and the seasonal activities offered in the region, partnered with their world class attractions, rides and shows created a unique event that attracted individuals to the area in September. She said they planned on expanding the event in 2015 to feature more entertainment. She stated if occupancy tax funding was awarded it would be put towards expenses for marketing and promotion of the event and the region, as well as expanding the event to add additional entertainment. She added the event was a huge success for them in 2014 and they looked forward to expanding it in 2015 to bring more visitors to the area in September.

Alice Grether, Director of Marketing, Communication and Visitor's Services for The Hyde Collection, thanked the Board of Supervisors for their past support of The Hyde Collection's exhibitions. She explained they were a Not-For-Profit Organization that had recently increased their admission fees. She noted because of the success of the Georgia O'Keefe exhibition last year they had contributed over \$2.3 million into the regional economy. She said they were anticipating the same results in 2015 with the Andy Warhol exhibition over the summer. She commented they desperately needed occupancy tax funds to publicize this exhibition. She apprised in 2012 the total admission revenue accounted for only 2% of their annual operating budget. She stated in 2012 the average cost to the museum per person per visitor was \$86, which meant it cost the museum \$86 for every person that visited the museum. She said her reason for sharing these statistics was because of the misconception that the Hyde Museum had "deep pockets" and was a trust. She said this was not the case, as they struggled the same as other organizations did. She commented she felt they were an important institution to the framework of the community. She mentioned since 2009 they had been

impacted by a 64% decrease in business and corporate sponsorship support, as well as a 54% decrease in individual support. She stated as an accredited art museum there were high levels of professional and industry standards they were required to meet, which brought forward great fiscal responsibility. She pointed out in the United States there were 17,500 museums of which only 781 were accredited. She advised 17% of the visitors to the museum per year were paid visitors, as the remaining 83% were not charged an admission fee. She explained they offered free admission to the community, children, veterans' and members of the museum. She mentioned she was providing the Committee with these statistics so they would have a better understanding of how imperative occupancy tax funding was to their organization. She said occupancy tax funds were used for marketing, as they had no other source of funding for this. She apprised the exhibitions would still take place but no one would be aware of them. Ms. Grether thanked the Committee members for supporting the arts in Warren County.

John Strong, Lake George Arts Project, representing the Lake George Jazz Weekend advised the County had provided funding for their event almost since the inception of the occupancy tax. He said their event was rather costly and he believed they marketed it appropriately. He stated they attracted visitors from all over New England and New York City. He noticed the recommended amount for their award was \$2,000, which was less than their requested amount of \$9,200. He encouraged the Committee to reconsider awarding them the full amount, as they used the funds sensibly for marketing.

With regards to their request for funding for the Lake George Blues Festival, Mr. Strong apprised that Robert Blais, Mayor for the Village of Lake George, had encouraged him to submit a request for occupancy tax funds for the event, which would take place on the Festival Space of the Charles R. Wood Park from August 1-2, 2015. He said he felt the event had the potential to be a very successful. He pointed out he requested \$15,000 in occupancy tax funding for the event and the suggested amount of the award was only \$2,500. He advised he felt this was inadequate funding, as it would not even cover the cost of renting a stage. He commented if they were only awarded \$2,500 for the event he would have to discuss with their Board of Directors whether it was worth moving forward with the event since they would lose money on it. He added both of these events were great cultural events for the County which he felt deserved the support of occupancy tax funding.

Marilyn Holmes, Board member of the Lake George Music Festival, Inc., and full-time resident of the Village of Lake George, representing the First Winter Series and Fifth Summer Season, thanked the Committee for their support of the Summer season for the past four years. She said she became involved with their organization several years ago because she felt it was an amazing, ideal event for the region. She stated it was exciting as a lodging owner to have an annual event she could depend upon to attract guests on weekdays, as well as weekends in addition to promoting multiple nights stays and attracting repeat affluent guests. She mentioned the Summer Season of the festival was entering its fifth year and had been well received with an increase in attendance of almost 500% in just four years. She stated they were anticipating 5,000 spectators to attend their event this summer, with approximately 25% of those in attendance staying overnight. She said the summer festival spanned over 11 days; therefore, she advised, it was a nice continuous long running event that supported multiple night stays with different types of music, performances and highlighted various venues in the area each day. She noted she was thrilled the summer event was scheduled for the last week in August, as this week had a tendency to be slow for her bed and breakfast and the region in general. She advised the festival also highlighted Lake George as a cultural destination and reached out to a largely untapped tourist market for Lake George of classical music lovers. She pointed out the festival was receiving excellent national media coverage including

recognition on NPR's (National Public Radio) "Performance Today", which reached out to 1.3 million listeners. She added this type of media coverage not only brought attention to the festival, but the area in general. She apprised this year they planned on launching the first Winter Series with a concert weekend scheduled for February. She commented adding events to the long, quiet winter season was welcoming and would hopefully encourage more overnight visitors to come to Lake George in the winter and eventually allow more businesses to remain open year round. She stated she foresaw the Lake George Music Festival becoming as highly successful and long enduring as classical music festivals in other regions had. She reiterated they were thankful for the support they had received in the past and were hopeful for continued support.

Michael Consuelo, Executive Director, Lake George Regional Chamber of Commerce & CVB, stated they were appreciative of their award and were looking forward to hosting the Restaurant Week and working with the Warren County Tourism Department on Canadian promotion. He said he believed everyone was aware of the discussion these past couple of weeks regarding Canadian tourists. He commented since they were partnering with the Warren County Tourism Department they would be able to go to Canada and perform a much better job of promoting the region to the Canadian market. He thanked the Committee for their efforts this year and extended assistance through the CVB to any events that have applied for funding, as they were there to assist with the promotion of these events, as well as attract new events to the region.

Joe Altieri, Director of Marketing and Media Relations for the New York State Public High School Athletic Assoc., Inc., representing the Boys Basketball State Tournament and the Girls & Boys State Volleyball Tournaments thanked the Committee for last years awards to three of their events that took place in Warren County. He stated they had 600,000 student athletes from 800 schools as members of their organization. He said 3 of their 32 High School State Championship events took place in Warren County. He explained in order to accomplish their organization's mission to provide educationally based athletic programs and events they required funding assistance. He mentioned Boys Basketball was one of three flagship events that they held during the course of the year. He noted this would be the 38<sup>th</sup> year that the Boys Basketball State Tournament had taken place at the GFCC. He apprised this years Tournament was scheduled for March 20-22, 2015 with an estimated attendance ranging between 12,000 to 18,000 depending upon what teams advanced to the tournament at the GFCC for the end of the post season. He added the Girls State Volleyball Tournament was entering its 6<sup>th</sup> year at the GFCC and was tentively scheduled for November 21-22, 2015, with the Boys State Volleyball Tournament occurring on November 21, 2015. He advised 500 athletes participated in the Girls State Volleyball Tournament and generated about 3,000 spectators. He continued, the Boys State Volleyball Tournament had about 200 athletes participating and produced about 1,000 to 1,500 attendees at their event. He mentioned the Boys Basketball State Tournament was one of the largest events for the region. He pointed out about 1,500 hotel rooms were reserved over a 6-8 night period in the region when these events took place. He said they had received tremendous local support, which was key to raising funds in various ways. He stated occupancy tax funds assisted them with their marketing efforts, as well as to help offset major expenses. He commented overall they were seeking to provide amenities to improve the tournament and they appreciated the support of Warren County.

Cindy Mead, Tri-Lakes Business Alliance, representing Woof Stock advised the Tri-Lakes Business Alliance was formed a few years ago with a goal of promoting economic growth in northern Warren County. She said this would be the third year they organized the Rum Runners Weekend, which was voted the APA's (Adirondack Park Agency) best off-season event for 2013. She stated their Chestertown Farmers' Market attracted around 900 people in four hours on a summer Wednesday. She continued, they also sponsored the Brant Lake Winter Carnival, which attracted large numbers

of visitors. She added other events they sponsored were Taste of the Tri Lakes, weekly car hops, and a St. Patrick's Day Parade. She apprised all of the events they sponsored took place because of the funding received from the Towns of Chester and Horicon and their own personal fundraisers. She said today they were requesting support for Woof Stock, which was a weekend of peace, paws and music. She explained Woof Stock Festivals were held throughout the Country. She mentioned some of the activities taking place at this event were demonstrations of pool diving by the Hudson Valley Dock Dogs, a lure chasing course offered by the American Kennel Club, a My Dog Has Talent Show, blessing of the animals, police canine demonstrations, frisbee contests, adoption agencies, pet groomers, specialty foods and music during the day and throughout this weekend long event. She added a mock Woodstock Concert was scheduled for Saturday, June 20, 2015 at the Carol Theatre in the Town of Chester. She commented they were hopeful the Committee would "throw them a bone" and wished everyone a everyone peace and have a groovy day.

Harrison Freer, representing the Warren County Safe & Quality Biking Org., Inc., commented what was unique about their organization was every activity they sponsored spanned over more than one Town. As an example, he stated, they extended efforts on the Warren County Bikeway, which reached over the City of Glens Falls, as well as the Towns of Queensbury and Lake George and the Village of Lake George. He added they hosted various bike rides throughout all of Warren County. He said they were developing destination class off-road trails in Gurney Lane Park and working with the Town of North Creek on an on-road ride. He added they provided a leading voice for safety and on-road development, as well. He said since they were located throughout the County he appreciated the opportunity to request funding assistance from the Committee. He noted they hoped to make the Harry Eckles race they sponsored in the Tri-Lakes area an on-going event and attract many more bicyclists to the shoulder season in the September time frame. He thanked the Committee for their consideration.

Heather Hickland, Director of the World Awareness Children's Museum, thanked the Committee for their past support of the museum. She stated they were growing what they were accomplishing at their museum by creating broader experiences for kids. She mentioned not only would they be offering art exhibits, they would be expanding upon this to offer new interactive developments next year. She continued, they planned on having three different interactive exhibits in 2015, as well as creating programing around them, which meant the theme of the museum would change three times next year. She said the focus at the beginning of the year would be technology around the world and then switch to cars, trains and things that go for their 20<sup>th</sup> anniversary offered around the middle of the year and then end the year by creating some sensory safe environments for children on the spectrum, as well as an art contest for children on the autism spectrum. She welcomed any consideration for funding to help support these experiences. She added they had the potential to grow and increase the number of families that were willing to visit their museum and spend the weekend in the area. She pointed out statistics showed that families that visited museums had a tendency to spend about 37% more in the local economy than a non museum visiting family; therefore, she stated, a small investment into their museum could yield a rather large economic investment for the economy and hotels in the area. She thanked the Committee for their consideration.

Mr. Kenny thanked all of the presenters for their time and said each application would be taken seriously. He noted each application would be reviewed and awards would be based on the merit of the events. He announced the Committee would adjourn to a workshop session to review the applications. He stated members of the public were welcome to stay but were asked to refrain from commenting during the workshop session.

Motion was made by Mr. Merlino, seconded by Mr. Dickinson and carried unanimously to adjourn temporarily to discuss the distribution of 2014 Occupancy Tax Revenues.

Workshop session was held from 11:28 a.m. until 12:30 p.m.

The Committee reconvened.

Pursuant to the workshop session, motion was made by Mr. Merlino, seconded by Mr. Simpson and carried unanimously to authorize agreements with various applicants for the disbursement of 2014 Occupancy Tax Revenues as outlined below. *A copy of the resolution request form is on file with the minutes and the necessary resolution was authorized for the December 19, 2014 Board Meeting.*

APPLICANT	EVENT	FUNDING GRANTED
398 Group	American Music Festival	5,500
Adirondack Hor Air Balloon Festival, Inc.	Balloon Festival	25,000
Adirondack Race Management	4 Events	5,500
Adirondack Sports Complex	Youth Softball Tournaments	20,000
Adirondack Theatre Festival	2015 Season	5,500
Adirondack Wine & Food Festival	Adirondack Wine & Food Festival	8,500
Albany Rods & Kustoms, Inc.	Adirondack Nationals Car Show	30,000
Americade, Inc.	2015 Americade	50,000
Festival Space Funding	Mayor Blais letter dated 8/22/14	25,000 (discretionary)
Great Escape Theme Park LP	Oktoberfest	4,000
Hudson Valley Vol. Firemen's Assoc.	Annual Convention & Parade	16,000
Hyde Collection Trust	4 Separate Exhibitions	17,500
Lake George Brewfest	Lake George Brewfest	8,500
Lake George Winter Carnival, Inc.	Lake George Winter Carnival	\$14,000 (discretionary)
New York State Public HS Athletic Assoc., Inc.	Boys Basketball State Tournament	25,000
Rare Earth Winebar Inc.	Adirondack International Food & Wine Show	5,000
Up Yonda Environmental Education Center	2015 Summer Nature Program	4,000 (discretionary)
Warren County Safe & Quality Biking Org., Inc.	Theme rides, connector bike trail planning	3,000 (discretionary)
Warrensburg Bike Rally	Warrensburg Bike Rally	5,000
Warrensburg Chamber of Commerce	World's Largest Garage Sale	19,000
	<b>TOTAL</b>	<b>\$250,000</b>

As there was no further business to come before the Occupancy Tax Coordination Committee, on motion made by Mr. Merlino and seconded by Mr. Simpson, Mr. Kenny adjourned the meeting at 12:32 p.m.

Respectfully submitted,  
Sarah McLenithan, Secretary to the Clerk of the Board